

THE STATE HORSE RACING COMMISSION MEETING MINUTES

SEPTEMBER 29, 2020

A public business meeting of The State Horse Racing Commission was held at the following date, place and time: Via Telephonic Conference Call on Tuesday, September 29, 2020 at 1:00 P.M.

Commissioners in attendance: Acting Chairperson Cook, Darryl Breniser, Salvatore DeBunda, Dr. John Egloff, Thomas Ellis, Russell Jones, Robert Lark, C. Edward Rogers, Michele Ruddy and Dr. Corinne Sweeney were present via telephonic conference call. Also present were Commission Counsel Jorge Augusto and Marija Kuren.

ANNOUNCEMENTS

A quorum of the Commission being present, Chairman Cook called the meeting to order. Chairman Cook noted that the meeting was properly advertised in accordance with the Sunshine Law. By way of notice, the Commission conducted an executive session to engage in a quasi-judicial deliberation to be adjudicated at the public meeting and engaged in attorney client privilege communication.

Chairman Cook welcomed everyone.

PUBLIC MEETING

1.) MINUTES OF THE August 25, 2020 MEETING as emailed to the Commissioners for their review in advance of the meeting.

Motion by: Commissioner Rogers
Second by: Commissioner Sweeney
Decision: Passed by unanimous vote.

PRESENTATIONS

2.) RACING FUND AUGUST FINANCIAL REPORT – presented by Tracee Gotwalt. Ms. Gotwalt provided a detailed financial analysis of the State Racing Fund, Commission and Testing Revenues and Expenses, Promotional Expenditures, a Comparative to FY 19/20 and an overview of the Breed-specific funds for the month of August.

3.) UPENN/PETRL ACCREDITATION REPORT - presented by Deborah Tsang. Ms. Tsang, the Quality Assurance Officer, gave a detailed presentation regarding the UPenn and PETRL's accreditation process and approval. The assessor's audit was conducted over an extended period and reviewed PETRL's the technical and management assessment. The audit concluded that there were no deficiencies in either the technical or management assessments.

4.) PHRA MARKETING/PROMOTIONAL REPORT- presented by Ashley Eisenbeil. Ms. Eisenbeil in conjunction with PAVONE, provided a comprehensive overview of the activities of PHRA with respect to the State Branding Campaign and Web site for FY 19/20. I addition, provided insight for PHRA's marketing and promotional goals for FY 20/21.

ADMINISTRATIVE ACTIONS

5.) Motion to approve the SFY 2021/22 Budget.

Motion By: Commissioner Lark
Second By: Commissioner Ellis
Decision: Passed by unanimous vote

6.) Motion to approve the Simulcast Calendars for October 2020 for Harrah's Philadelphia, Mohegan Sun at Pocono Downs and The Meadows.

Motion By: Commissioner Rogers
Second By: Commissioner Breniser
Decision: Passed by unanimous vote.

7.) Motion to approve the Simulcast Calendars for October 2020 for Parx, Penn National and Presque Isle Downs.

Motion By: Commissioner Ellis
Second By: Commissioner Sweeney
Decision: Passed by unanimous vote

RATIFICATIONS

8.) Motion to ratify the requested revision to the Daily Wagering format for Pick 3-4-5 pools at the Meadows commencing on October 2, 2020.

Motion By: Commissioner Lark
Second By: Commissioner Rogers
Decision: Passed by unanimous vote

INDUSTRY REPORTS

9.) General Reports. Director Salerno provided a brief overview of Fairs that conducted Standardbred racing. Originally, 21 fairs were scheduled to have racing but due to Covid-19, 3 fairs cancelled racing. For 2020, there were 13 one-day events and 5 two-day events distributing over \$2 million dollars in purse money. Director Salerno advised the Commission it was a difficult year but thanked all participating parties for their assistance. In addition, the Bureau Director recognized the PHRA specifically Ashley Eisenbeil and Seth for their contribution to stream as many races as possible under extremely difficult circumstances. He also expressed thanks to Lisa Dunn and Sam Beegle for all their efforts to conduct the fair program.

Director Chuckas reported the federal government, the Senate and House of Representatives were in the process of passing legislation, the Horse Racing Integrity and Safety Act (HISA) which will have a major impact on racing. The PA State Horse Racing Commission is currently evaluating the legislation and the impact on Pennsylvania racing and breeding. The second issue concerns financial ramifications to the PA Thoroughbred Breeders and the Standardbred Sire Stakes program. GBO conducted a reconciliation going back to 2016 and determined a human error occurred which contributed to a \$ 1.8m surplus. GBO has modified its procedures to ensure accuracy. The following distribution will be made which is consistent with the accrual accounting method and the Act. The Thoroughbred Breeders and the Standardbred Sire Stakes program will each receive \$ 857,812 and \$114,000 will be retained for the Testing program.

- Russell Williams advised the Commission that the Standardbred Industry has formed an independent organization under a structure free of influence and pressure and with absolute confidentiality. A three-member oversight committee has been formed consisting of two judges and one attorney. The goal is to operate in all harness jurisdictions. The intent is to support the Commission's work and be a resource.
- Dale Rapson, Mohegan Sun at Pocono Downs, requested an interpretation as to the policy of spectators at the racetrack. After significant discussion, the Commission recommended Mr. Rapson contact the Governor's office and/or the Department of Health for guidance. Mr. Rapson advised the Commission that he will be submitting a letter requesting to suspend the "rainbow 5" wagering until closing day.
- Barry Brown, Harrah's Philadelphia advised the Commission things are continuing in a positive trend.
- Brian Sanfratello, PHBA, informed the Commission that the Breeders in conjunction with Cornerstone Media produced a one-minute commercial and a five-minute documentary to support and recognize the Pennsylvania breeding program. He will send to the Commission for viewing. In addition, Brian thanked Joe Wilson and Mike Ballezzi for their support on PA Day at the Races. Parx conducted 12 races and distributed approximately \$740,000 in purses.

PUBLIC COMMENT

- Dr. Langlois requested the Commission consider instituting a regulation requiring all Thoroughbred horses completing a race be sent to the Test Barn for a 15 to 20-minute examination by the Commission Veterinarians. Any horse showing medical issues or lameness will be placed on the Vet List for further workup. The Commission will take the request under advisement.
- Commissioner Jones requested that the Tracks have their race caller follow up any claims of foul or disqualification with an explanation of the Steward's actions and the reason for the decision. The Commissioner stated this was occurring in other jurisdictions and would be well received.

ANNOUNCEMENTS

Chairman Cook announced the next meeting will be held on Tuesday, October 27, 2020. The Meeting location is to be determined.

- Executive Session 11:00 A.M.
- Regular Session 1:00 P.M.

ADJOURNMENT

The meeting was adjourned at 2:05 P.M.

NOTES

Respectfully submitted,

Thomas F. Chuckas Jr.
Bureau Director
Bureau of Thoroughbred Horse Racing

Anthony Salerno
Bureau Director
Bureau of Standardbred Racing